(d) Government in the Ministry of Textiles through the Development Commissioner (Handicrafts) implements a scheme to set up "Urban Haats" in prime locations, on the pattern of "Dilli Haat", to provide marketing outlets for products of the rural as well as urban handloom weavers and craftspersons. So far, 36 such Haats have been sanctioned under the scheme, of which five Haats have become operational at Bhubaneshwar (Orissa), Karnal (Haryana), Jammu (J&K), Tirupati (Andhra Pradesh) and Bhopal (Madhya Pradesh).

Revival of sick ARI Units

3678. SHRI C. RAMACHANDRAIAH: Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether it is a fact that large numbers of Agro and Rural Industries set up in Ninth Plan have fallen sick;

(b) if so, the details thereof, State-wise, particularly Andhra Pradesh and the reasons therefor;

(c) whether any efforts are being made for the revival of these units; and

(d) if so, the details thereof?

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI MAHAVIR PRASAD): (a) The details of growth in the value of production and sales by the village industry (VI) units as well as employment during each of the last three years are given below:

Year	Production (Rs. lakh)	Sales (Rs. lakh)	Employment (lakh persons)
2002-03	8126.30	9615.71	57.87
2003-04	9228.27	10988.17	62.58
2004-05 '	10458.89	12487.35	68.14

Some VI units do become sick. The reasons for such sickness include inadequate availlability of credit, infrastructure constraints, *viz.,* land, water, power; use of obsolete technology, inconsistent quality of products; product designs not being in keeping with market demand; difficulties in market access; lack of entrepreneurial and managerial skills; etc.

(b) The State-wise details of the present financial status of individual or groups of units of these industries are not maintained centrally.

(c) and (d) Existing units/self-employment ventures, which were set up with credit from banks but have now become sick, are eligible for rehabilitation assistance available to sick units in the small industries sector, as per the guidelines of the Reserve Bank of India (RBI). These measures include, *inter alia,* waiver of penal interest on cash credit and term loan from the year the unit started making cash losses, segregation of unpaid interest of cash credit and term loan from the total liability and treating the former amount as a separate interest-free loan, reduced rate of interest (reduction of up to 3 per cent for tiny units) to be charged on unpaid term loans, additional working capital loan to be given at a rate of interest not exceeding the prime lending rate, etc.

Further, based on the "Policy Package for Stepping up credit to Small and Medium Enterprises" announced by the Government in the Parliament on 10 August, 2005. the RBI has issued guidelines on 8 September, 2005 to all public sector banks that evisage debt restructuring mechanism for nursing sick/potentially sick SME units back to health.

ARI in **Tamil Nadu**

3679. SHRI C. PERUMAL: Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether any action has been taken on the proposals sent by the Tamil Nadu Government seeking inclusion of a few coir, khadi and village industries clusters in the recently launched scheme for funding for regeneration and upgradation of traditional industries;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI MAHAVIR PRASAD): (a) The Khadi and Village Industries Commission and the Coir Board, the nodal agencies for the Scheme of Fund for Regeneration of Traditional Industries (SFURTI), have been advised to examine the proposals received from the Government of Tamil Nadu and submit revised proposals in consultation with the State Government.

(c) Does not arise.